



March 2, 2020

Mr. Christopher Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Center, 1155 21st St. NW
Washington, D.C. 20581

Re: Post-Trade Name Give-Up on Swap Execution Facilities (RIN: 3038-AE79)¹

Dear Sirs and Madams:

The Asset Management Group of the Securities Industry and Financial Markets Association (“**AMG**” or “**SIFMA AMG**”)² appreciates the opportunity to provide comment to the Commodity Futures Trading Commission (the “**CFTC**”) on the proposed rule to prohibit “Post-Trade Name Give-Up” practices related to trading on Swap Execution Facilities (the “**Proposal**”). AMG members are supportive of the CFTC’s proposal to prohibit the practice of post-trade name give-up for swaps that are anonymously executed on a swap execution facility (“**SEF**”) and intended to be cleared. The prohibition, we believe, would result in deeper liquidity pools on SEFs and promote the development of more open, competitive, and less fragmented markets.

As discussed in SIFMA AMG’s response to the CFTC’s November 2018 request for comment on the practice of post-trade name give-up³ (the “**AMG SEF Letter**”), we believe the Proposal would be consistent with key policy objectives of the Commodity Exchange Act (the “**Act**”) and congressional intent, while providing economic benefits that could increase trading on SEFs. AMG members agree with the Commission’s assertion in the Proposal’s cost benefit analysis that “*overall liquidity may be improved*” by the proposed prohibition.⁴ AMG members continue to be concerned that the practice of post-trade name give-up can result in information leakage and anticompetitive behavior. We agree with the Commission that, with respect to operational, credit, settlement, and legal issues, there is generally no imperative for post-trade name give-up for anonymously cleared swaps because of the DCO’s role as an intermediary.⁵

¹ Post-Trade Name Give-Up on Swap Execution Facilities, 84 Fed. Reg. 72262 (December 31, 2019), available at <https://www.cftc.gov/sites/default/files/2019/12/2019-27895a.pdf>.

² SIFMA AMG brings the asset management community together to provide views on U.S. and global policy and to create industry best practices. SIFMA AMG’s members represent U.S. and global asset management firms whose combined assets under management exceed \$45 trillion. The clients of SIFMA AMG member firms include, among others, tens of millions of individual investors, registered investment companies, endowments, public and private pension funds, UCITS and private funds such as hedge funds and private equity funds.

³ SIFMA AMG Response to the CFTC’s Swap Execution Facilities and Trade Execution Requirement Proposed Rule and Post-Trade Name Give-Up on Swap Execution Facilities Request for Comment (March 15, 2019), available at <https://www.sifma.org/wp-content/uploads/2019/07/2019-03-15-SIFMA-AMG-Letter-re-SEF-Proposal.pdf>.

⁴ Proposal at 72271.

⁵ Proposal at 72271.

By prohibiting post-trade name give-up, the Commission would remove a barrier to increased trading on SEF platforms. The Commission's rules would be designed to better promote the development, innovation, and growth of the swaps market, with the intent of attracting liquidity formation onto SEFs in a manner that adds to efficiency for the market and market participants through the development of more open, competitive, and less fragmented markets.

While we are supportive of the Proposal, we continue to believe that there are further changes the Commission can make to enhance the current SEF framework and increase our members' access to liquidity and price discovery on SEFs. As mentioned in the AMG SEF letter, there are many aspects of the current swaps regime that function well, however, we believe the Commission should consider other enhancements to the SEF regime that may lead to further competition, liquidity and price transparency, including but not limited to, weighted average pricing.

In addition to those views stated above, specific responses to the CFTC's requests for comment are below.

Post-Trade Name Give-Up & Impartial Access

SIFMA AMG members continue to believe that permitting barriers to access creates an uneven playing field, allowing only select market participants to gain access to levels of liquidity or competitive pricing. As argued by many commenters, and as acknowledged by the Commission in the Proposal, the range and number of active participants on platforms that allow the practice of post-trade name give-up may be limited because of concerns about information leakage and anti-competitive behavior.⁶ AMG agrees with the Commission that this leads to a discriminatory effect against certain market participants,⁷ and ultimately, we believe this discriminatory effect has led to a lack of competition and higher prices for customers. As result of this discriminatory effect, AMG believes the practice of post-trade name give-up is inconsistent with impartial access.

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We appreciate your consideration of this letter and look forward to discussions that will address the issues raised. Please do not hesitate to contact Jason Silverstein, at jsilverstein@sifma.org or at 1-212-313-1176, or Tim Cameron at tcameron@sifma.org or at +1-202-962-7447.

Sincerely,

Tim Cameron, Esq.
Asset Management Group – Head
Securities Industry and Financial Markets
Association

Jason Silverstein, Esq.
Managing Director, Asset Management Group &
Associate General Counsel
Securities Industry and Financial Markets
Association

⁶ Proposal at 72265-66.

⁷ Proposal at 72267.